



## HOWARD COUNTY DEPARTMENT OF FINANCE

P.O. Box 3370

Ellicott City, Maryland 21041

410-313-4076

Division of Property Tax Accounting

FAX 410-313-4099

TDD 410-313-2323

### **Sec. 20.116. Property leased, occupied, or used by religious groups or organizations.**

- (a) *Establishment of Tax Credit Program:* In accordance with the provisions of § 9-222 of the Tax-Property Article of the Annotated Code of Maryland there is a tax credit against the property tax imposed on real property in Howard County for that portion of the property that is leased, occupied and used by a religious group or organization and which meets each of the conditions required by state law set forth in subsection (b) of this section.
- (b) *Conditions:*
  - (1) The religious group or organization would qualify for a property tax exemption under § 7-204 of the Tax-Property Article of the Annotated Code of Maryland.
  - (2) The portion of the property upon which the tax credit is based is used exclusively for:
    - (i) Public religious worship;
    - (ii) Educational purposes; or
    - (iii) Office space necessary to support or maintain public religious worship or educational purposes.
  - (3) The property upon which the tax credit is based is not leased, occupied or used for the purpose of making a profit.
  - (4) The religious group or organization is contractually liable to the owner for property taxes.
  - (5) The owner of the property eligible for a tax credit pursuant to this section, is contractually obligated to reduce, by the amount of the tax credit, the amount of taxes for which the religious group or organization is otherwise contractually liable.
- (c) *Amount:*
  - (1) The amount of the tax credit shall be the full amount of property tax imposed pursuant to § 6-202 of the Tax-Property Article of the Annotated Code of Maryland by Howard County on that portion of real property leased by a religious group or organization which meets the conditions of subsection (b) of this section.
  - (2) The amount of the tax credit shall not exceed the amount of the tax for which the religious group or organization is contractually liable.
- (d) *Administration:* The director of finance is authorized to develop an application form and establish procedures to administer the tax credit established in this section.
- (e) *Application and Approval Process:*
  - (1) An application for the tax credit shall be submitted to the director of finance and shall be signed by both the owner of the real property and the religious group or organization which is or will become the lessee. A copy of the executed lease between the property owner and the lessee shall be submitted with the application.
  - (2) Tax credits shall be available on an annual tax year basis. Applications for the tax credit shall be submitted to the director of finance no later than April 1 prior to the tax year for which the credit is being requested.
  - (3) The director of finance will submit the application to the supervisor of the department of assessments and taxation in Howard County or designee to determine:
    - (i) Whether the lessee qualifies as an exempt organization under § 7-204 of the Tax-Property Article of the Annotated Code of Maryland; and
    - (ii) The amount of the assessed value attributable to the portion of the property used by the religious group or organization for purposes permitted under subsection (b) of this section.
  - (4) After receiving the determinations from the supervisor of the department of assessments and taxation or designee, the director of finance shall notify the owner and lessee whether the lessee qualifies as an exempt organization, the amount of the assessed value upon which the tax credit will be based, and the amount of the tax credit.
- (f) *Appeal:* An owner of real property who has applied for the tax credit established in this section may appeal the following to the Howard County Property Tax Assessment Appeal Board:
  - (1) A denial of the tax credit based on a determination by the supervisor of the department of assessment and taxation in Howard County or designee that the religious group or organization



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would not be qualified for an exemption pursuant to § 7-204 of the Tax-Property Article of the Annotated Code of Maryland.

(2) The amount of the assessed value upon which the tax credit will be based.

(g) *Termination and Repayment of Tax Credit:*

(1) Entitlement to the tax credit shall terminate when the religious group or organization no longer occupies the property or when the use of the property no longer meets each of the conditions stated in subsection (b) of this section.

(2) Upon termination of the tax credit the director of finance shall issue a bill for the additional tax due which equals the amount of the tax credit divided by the percentage of the tax year during which the property was not eligible for the credit.

(3) The amount of any unearned tax credit is due and shall be paid in full within 30 days after the bill is issued.

(4) If the bill remains unpaid after 30 days after the bill is issued, interest and penalties shall be charged, as provided in section 20.102 of the Howard County Code and may be treated for all purposes as other taxes imposed on real property pursuant to § 6-202 of the Tax-Property Article of the Annotated Code of Maryland.

(C.B. 38, 1998)



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## APPLICATION FOR TAX CREDIT FOR PROPERTY LEASED, OCCUPIED OR USED BY RELIGIOUS GROUPS OR ORGANIZATIONS

### HOWARD COUNTY CODE SECTION 20.116

In accordance with the provisions of § 9-222 of the *Tax-Property Article of the Annotated Code of Maryland* there is a tax credit against the property tax imposed on real property in Howard County for that portion of the property that is leased, occupied and used by a religious group or organization and which meets each of the conditions required by state law. The application shall be filed no later **than April 1 prior** to the tax year for which the credit is being requested. All taxes are due and payable when issued.

Full name of titled owner: \_\_\_\_\_

Complete address: \_\_\_\_\_

Property Parcel Number: \_\_\_\_\_

Property Location: \_\_\_\_\_

Description: \_\_\_\_\_

Date acquired: \_\_\_\_\_ Deed Reference: \_\_\_\_\_

Explain in sufficient detail the type and use of the property, land and buildings:

\_\_\_\_\_

Is any part of this property rented? Yes\_\_\_\_ No\_\_\_\_ If yes:

To whom?\_\_\_\_\_ What is the estimated annual rent?\_\_\_\_\_

Does the organization own any adjoining Real Property? Yes\_\_\_\_ No\_\_\_\_

I declare under the penalties of perjury, pursuant to Section 1-201, *Tax-Property Article, Annotated Code of Maryland*, that this application (including any accompanying schedules and statements) has been examined by me and to the best of my knowledge and belief is true, correct, and complete.

Signature of Owner:\_\_\_\_\_ Date:\_\_\_\_\_

Printed name: \_\_\_\_\_ Phone:\_\_\_\_\_

Signature of lessee:\_\_\_\_\_ Date:\_\_\_\_\_

Name of Organization:\_\_\_\_\_ Phone:\_\_\_\_\_

Address:\_\_\_\_\_

### (OFFICE USE ONLY)

New application \_\_\_\_\_ Re-application \_\_\_\_\_ Land \_\_\_\_\_

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Imp \_\_\_\_\_

Effective \_\_\_\_\_ Total \_\_\_\_\_

By:\_\_\_\_\_ Date:\_\_\_\_\_